

AN ACT

relating to the eligibility of certain postdoctoral fellows and graduate students to participate in health benefit programs at public institutions of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 1551, Insurance Code, is amended by adding Section 1551.1022 to read as follows:

Sec. 1551.1022. PARTICIPATION ELIGIBILITY: CERTAIN POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual who is not eligible to participate in the group benefits program under Section 1551.101 is eligible to participate in the group benefits program under this section if the individual, at an institution of higher education:

(1) holds:

(A) a postdoctoral fellowship; or

(B) one or more graduate student fellowships awarded to the individual on a competitive basis that, either singly or in combination, are valued at not less than \$10,000 per year; and

(2) is currently receiving a stipend from an applicable fellowship.

(b) An individual who is eligible to participate in the group benefits program under this section shall pay all contributions required under this chapter for the coverage selected

1 by the individual, except that an institution of higher education
2 may make contributions for the individual from available funds
3 other than money appropriated to the institution from the general
4 revenue fund.

5 (c) An institution of higher education shall determine
6 which individuals are eligible to participate in the group benefits
7 program under this section and, at the time of initial eligibility,
8 shall notify each individual of the individual's eligibility to
9 participate in the program.

10 (d) An individual who participates in the group benefits
11 program under this section is not considered an employee of an
12 institution of higher education solely as a result of the
13 individual's participation in the program.

14 SECTION 2. Section 1551.151, Insurance Code, is amended to
15 read as follows:

16 Sec. 1551.151. ENTITLEMENT TO COVERAGE. An individual who
17 is eligible to participate in the group benefits program under
18 Section 1551.101, ~~[or]~~ 1551.102, or 1551.1022 is entitled to secure
19 for a dependent of the individual any group coverages provided
20 under this chapter, as determined by the board of trustees and
21 subject to the exceptions provided by this subchapter.

22 SECTION 3. Subchapter C, Chapter 1601, Insurance Code, is
23 amended by adding Section 1601.1021 to read as follows:

24 Sec. 1601.1021. PARTICIPATION ELIGIBILITY: CERTAIN
25 POSTDOCTORAL FELLOWS AND GRADUATE STUDENTS. (a) An individual who
26 is not eligible to participate in the uniform program under Section
27 1601.101 is eligible to participate in the uniform program under

this section if the individual, at an institution in a system:

(1) holds:

(A) a postdoctoral fellowship; or

(B) one or more graduate student fellowships awarded to the individual on a competitive basis that, either singly or in combination, are valued at not less than \$10,000 per year; and

(2) is currently receiving a stipend from an applicable fellowship.

(b) An individual who is eligible to participate in the uniform program under this section shall pay all contributions required under this chapter for the coverage selected by the individual, except that an institution of higher education may make contributions for the individual from available funds other than money appropriated to the institution from the general revenue fund.

(c) An institution of higher education shall determine which individuals are eligible to participate in the uniform program under this section and, at the time of initial eligibility, shall notify each individual of the individual's eligibility to participate in the program.

(d) An individual who participates in the uniform program under this section is not considered an employee of an institution of higher education solely as a result of the individual's participation in the program.

SECTION 4. Section 1601.107, Insurance Code, is amended to read as follows:

1 Sec. 1601.107. COVERAGE FOR DEPENDENTS. An individual who
2 is eligible to participate in the uniform program under Section
3 1601.101, ~~[ex]~~ 1601.102, or 1601.1021 is entitled to secure for a
4 dependent of the individual any group coverages provided under this
5 chapter for dependents under rules adopted by the applicable
6 system.

7 SECTION 5. Effective January 1, 2012, Subsection (d),
8 Section 1601.101, Insurance Code, is repealed.

9 SECTION 6. (a) The board of trustees of the Employees
10 Retirement System of Texas shall include coverage under Section
11 1551.1022, Insurance Code, as added by this Act, in an insurance
12 policy or contract or evidence of coverage delivered, issued for
13 delivery, or renewed on or after January 1, 2012. The board of
14 trustees may include coverage under Section 1551.1022, Insurance
15 Code, as added by this Act, in an insurance policy or contract or an
16 evidence of coverage delivered, issued for delivery, or renewed
17 before January 1, 2012, if the board of trustees determines that the
18 coverage may reasonably be included.

19 (b) The governing board of The University of Texas System or
20 The Texas A&M University System, as applicable, shall include
21 coverage under Section 1601.1021, Insurance Code, as added by this
22 Act, in an insurance policy or contract or evidence of coverage
23 delivered, issued for delivery, or renewed on or after January 1,
24 2012. The governing board of a system may include coverage under
25 Section 1601.1021, Insurance Code, as added by this Act, in an
26 insurance policy or contract or an evidence of coverage delivered,
27 issued for delivery, or renewed before January 1, 2012, if the

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1 governing board determines that the coverage may reasonably be
2 included.

3 SECTION 7. Except as otherwise provided by this Act, this
4 Act takes effect September 1, 2011.

David Newkum
President of the Senate

Joe Straus
Speaker of the House

I hereby certify that S.B. No. 29 passed the Senate on
April 14, 2011, by the following vote: Yeas 31, Nays 0.

Patry Spaw
Secretary of the Senate

I hereby certify that S.B. No. 29 passed the House on
May 23, 2011, by the following vote: Yeas 145, Nays 1, two
present not voting.

Robert Haney
Chief Clerk of the House

Approved:

17 JUN '11
Date

RICK PERRY
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE

4pm O'CLOCK

JUN 17 2011

Boyd Roberts
Secretary of State